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RUHBANB/COMMARCORBASESJAPAN CAMP BUTLER JA PRIORITY
RUHPSAA/COMMARFORPAC PRIORITY
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RHHMHBA/COMPACFLT PEARL HARBOR HI PRIORITY
RUENAAA/SECNAV WASHINGTON DC PRIORITY
RHMFISS/USFJ PRIORITY
RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 005680

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SUBJECT: IWAKUNI MAYOR RESIGNS, SEEKS NEW MANDATE

Classified By: CDA JOSEPH R. DONOVAN, REASONS 1.4(B) & (D).

Summary

¶1. (C) Iwakuni Mayor Katsusuke Ihara, a vocal opponent of the planned relocation of Carrier Air Wing 5 (CVW-5) from Naval Air Facility (NAF) Atsugi to Marine Corps Air Station (MCAS) Iwakuni, tendered his resignation December 26 following a dispute with the city council over funding for a new city hall. The city council, dominated by supporters of the air wing's move, had repeatedly rejected Ihara's financing proposal, which became necessary when the central government cut financial subsidies to Iwakuni because of Ihara's stance on the air wing. Ihara has used the proposed sale of city land on Atago mountain to the Japanese government for use as a base housing site to complicate plans for the air wing relocation. In resigning, Ihara indicated his intent to stand in the next election, expected to take place in February 2008. With few credible candidates to oppose him, Ihara will try to cast his expected re-election as a mandate to continue his opposition to the air wing. Given recent progress on settling the Atago housing issue, however, Ihara's antics will have more of an impact on local politics than on the pace of the CVW-5 move. End Summary.

Seeking a New Mandate

¶2. (C) On December 26, Iwakuni Mayor Ihara resigned unexpectedly and announced he would seek re-election and a new mandate. Ihara's resignation comes in the wake of the predominantly pro-relocation city council's fifth rejection of Ihara's budget request for a bond measure to complete construction of a new city hall. The debt financing became necessary when the Japanese government decided to cut a multi-billion yen subsidy to the city in an attempt to pressure Ihara into accepting the CVW-5 relocation. In addition to the money already withheld because of Ihara's opposition to the CVW-5 move, the Japanese government has also excluded Iwakuni from the list of municipalities set to receive subsidies for hosting new U.S. military facilities in line with the Alliance Transformation agreement. Despite the

repeated city council rejections, on December 26 the council approved a slightly smaller budget request that will enable the construction of the new building to continue.

13. (C) Mayor Ihara has stated in media reports that his intention in resigning was to take the decision on the CVW-5 relocation "to the people" and has also said that public opposition to the move "basically has not changed." In March 2006, Ihara conducted a referendum on the move in which roughly 90 percent of those who voted opposed the plan. Supporters of the relocation, however, largely boycotted the controversial vote. Regardless, it appears likely that Ihara will win his re-election bid. Consulate Fukuoka contacts say that pro-relocation groups are currently negotiating with two potential candidates to oppose Ihara in the election, one a Liberal Democratic Party (LDP) Lower House member and the other a former vice mayor of Iwakuni. Whomever runs, Consulate interlocutors assess that it will be a very difficult for anyone to beat Ihara.

Limited Impact on Relocation

14. (C) The outcome of the election is unlikely to have a substantive impact on the CVW-5 relocation. One key element of the air wing's move is development of housing for CVW-5 personnel and families on Atago mountain, a site jointly owned by Iwakuni city and Yamaguchi prefecture. Of the 150 buildable acres on Atago mountain, the Japanese government originally agreed to provide 135 acres for base housing. As of late December 2007, the Japanese government has indicated that it will be able to provide only approximately 112 acres. The remaining 38 acres on Atago is owned by Iwakuni, and

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Ministry of Defense (MOD) and MOFA contacts note it is highly unlikely that Mayor Ihara will agree to sale of this land. (Note: Iwakuni plans to build a hospital, park, and community center on the portion of Atago that it owns. End note.) USFJ and MOD facilities planners are reviewing proposals to complete the housing project should the city continue its resistance to the sale of the remaining land.

Comment

15. (C) If Ihara secures a new mandate, the Mayor may stand to gain in political stature by being perceived as "standing up" to the Japanese government and the U.S. military. There appears to be growing frustration with the mayor, however, for fighting the relocation and thus preventing the city from obtaining central government subsidies. As long as an effective workaround can be established for family housing at Atago, Ihara's blustering will remain just that. In the end, the citizens of Iwakuni lose out by not getting access to government funds.
DONOVAN